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File WESTERN NUCLEAR, INC.

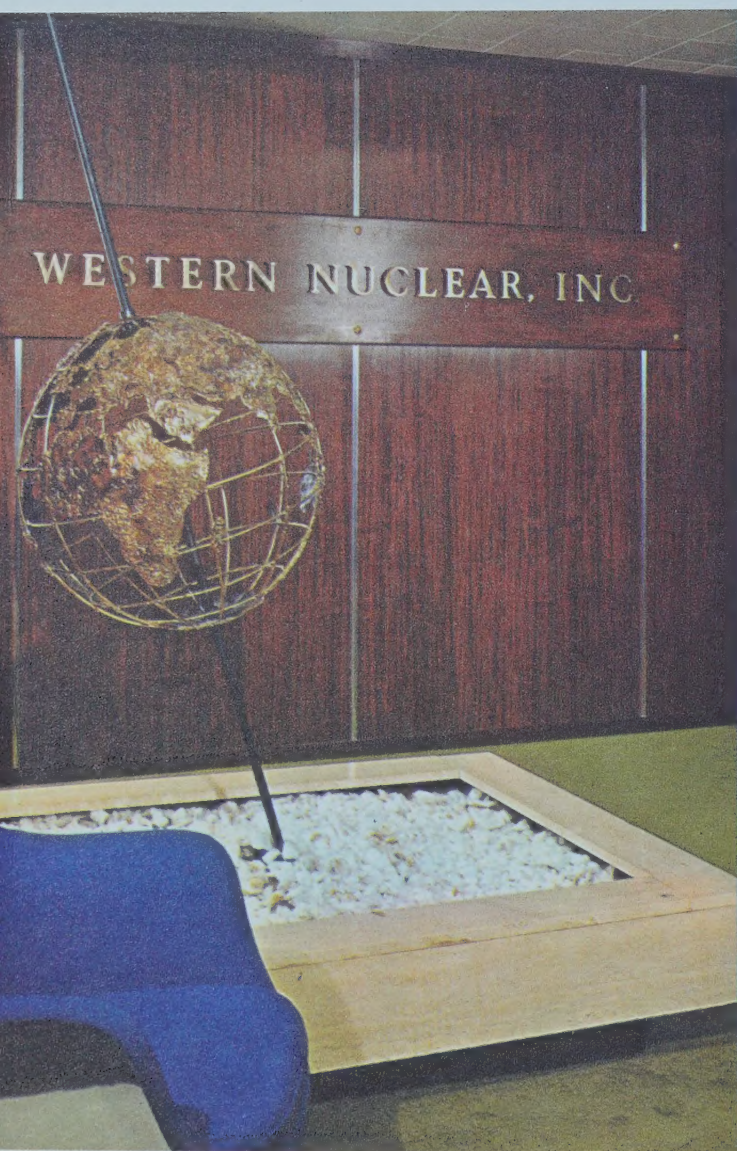
ANNUAL REPORT 1968

for the fiscal year ended June 30th



TABLE OF CONTENTS

President's Letter	2
Consolidated Balance Sheet	8
Consolidated Statement of Income	10
Consolidated Statement of Funds	11
Notes to Financial Statements	12
Auditors' Report	13
Financial and Operating Summaries	14
Organization Structure	16
Directors, Officers and Offices	17



FINANCIAL HIGHLIGHTS

Fiscal Year Ended June 30

	1968	1967
Total Sales	\$15,256,991	\$10,049,201
Net Income	\$ 1,670,974	\$ 1,148,532
Net Income Per Share	\$.72	\$.50
Cash Flow From Operations	\$ 3,630,860	\$ 2,620,468
Cash Flow Per Share	\$ 1.56	\$ 1.14
Dividends	\$ —	\$ 463,266
Dividends Per Share	\$ —	\$.20
Current Assets*	\$ 4,604,333	\$ 3,894,900
Current Liabilities*	\$ 1,999,880	\$ 1,400,528
Working Capital*	\$ 2,604,453	\$ 2,494,372
Current Ratio*	2.30/1	2.78/1
Long-Term Debt*	\$ 3,975,000	\$ 7,253,321
Deferred Federal Income Taxes*	\$ 2,783,000	\$ 2,884,000
Stockholders' Investment*	\$14,775,195	\$12,686,063
Stockholders' Investment Per Share* ..	\$ 6.35	\$ 5.51
Average Number of Shares Outstanding	2,325,034	2,304,434

*At June 30th

Left: Company's globe located in executive offices in Denver. Right: Large exploration rig in Crooks Gap area of Wyoming.



TO OUR STOCKHOLDERS



As always, it's a pleasure to convey to our stockholders through this annual report the operating results of the past year and to comment on our plans for the future.

Net income for the year ended June 30, 1968 totaled \$1,670,974 equal to \$.72 per share up from \$1,148,532 equal to \$.50 per share last year. Gross revenues rose to \$15.3 million from \$10 million. Uranium oxide sales totaled \$13.2 million compared with \$9.2 million in fiscal 1967. The other revenue was produced by our three sulfuric acid plants in Wyoming and our base metal operations in Canada.

This year's uranium sales for the first time include deliveries under commercial contracts. Moreover, the Company's backlog of uranium sales contracts has increased sharply to more than \$55 million of which \$36 million are commercial orders. These private orders represent 65 per cent of our backlog compared with 35 per cent a year ago at which time our contracted sales totaled \$42 million.

This growth in the commercial market for uranium was anticipated by the Company several years ago. It was then—and continues to be—the controlling factor in our decision to commit our funds and efforts to an intensified search for more uranium.

We are not attempting at this time to secure any sales commitments beyond those in hand, which assure continuous operations through calendar 1973. There are too many unknown economic factors that could drastically influence price and other conditions of sale five years from now. We are certain, because of the rising demand, that there will be a ready market for uranium oxide in future years.

In the United States alone, some reliable forecasts suggest that fuel and fuel services costing more than \$20 billion will be consumed during the life span of the nuclear power plants now in service or on order. But as staggering as is that expenditure,

important officials in the electric utility industry say that the \$20 billion expenditure may be tripled or even quadrupled if electric utilities buy the additional nuclear capacity forecast for the United States by 1980 and, the United States is expected to account for only about one-half of the additional nuclear capacity forecast for the entire Free World between now and 1980.

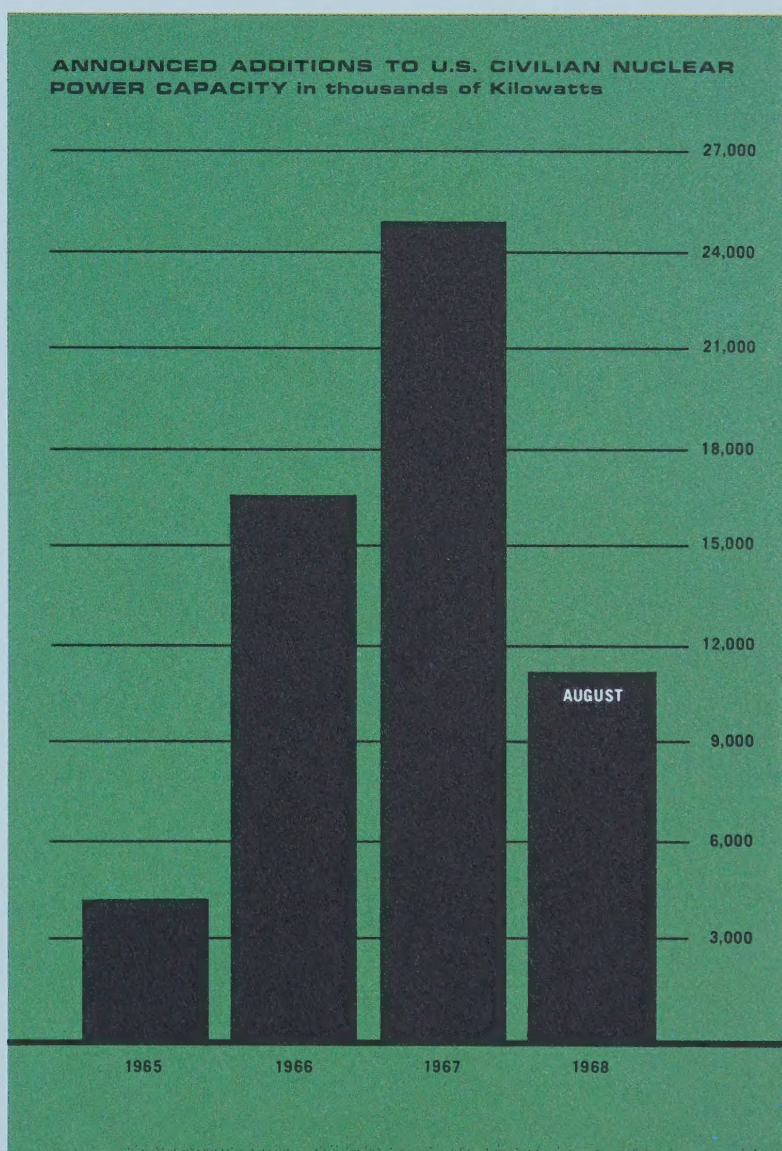
The challenge facing us, and any uranium supplier, is to find the reserves of ore needed to meet this demand. This has been the guiding principle in our planning for the next few years.

The emphasis must be, and is, on exploration and development to provide the raw materials for this booming market for uranium. Fortunately, our exploration program is just now approaching the point where we are able to focus on specific targets. We have finished preliminary assessments of vast acreage both in the United States and abroad. Now we are moving into the phase where we can concentrate our efforts on the most promising geological formations. Nevertheless, since launching our broadened exploration program in January 1966, we have found new uranium reserves at four or five times our present rate of production.

We must maintain this replacement rate in order to maintain our current position in the industry.

However, the exploration and development of uranium ore reserves is a painfully slow and expensive task. Our long experience and veteran staff assure us every conceivable advantage but nonetheless there are heavy capital expenditures and high risks associated with natural resource exploration. Happily, the rewards can be equally as great.

We are well along on our exploration program in Australia which we started three years ago. Extensive aerial surveys have been completed, ground investigations have been made of some of



the promising areas and we have set up drilling programs for the evaluation of some of the most likely areas for ore. The indications from the work completed to date justify the expenditure of additional funds for drilling programs on these locations.

It is particularly gratifying for me that our operations in Australia have established excellent relations between the Company and the Australian mining fraternity. As a result, we find ourselves being invited to evaluate promising areas which would otherwise not have come to our attention. Some of these new areas have considerable merit and are receiving extended investigation.

Half way around the world from Australia, we are in the midst of negotiations which, if favorably concluded, will give us a substantial stake in Africa. A preliminary agreement has been reached for an exclusive prospecting license on 82,000 square miles in northern Nigeria. Western Nuclear owns an 80 per cent interest in this venture.

Discussions are in progress currently with the Nigerian government on the matters of royalties, taxes and other associated economic factors. If these are resolved to the satisfaction of everyone an appropriate exploration program will be initiated. This will be the pioneer effort to find uranium in this area although discoveries have been made north of our concession area in the neighboring Republic of Niger.

We also are negotiating with the Somali Republic on the east coast of Africa, for uranium prospecting rights on some 7,500 square miles of land. A United Nations geological team has found some uranium mineralization on the land but the extent and grade is not known. However, the reconnaissance phase of the exploration has been completed and if we are successful in obtaining the prospecting rights we can concentrate immediately on specific targets.

Outside of our proven properties in Wyoming, the most en-

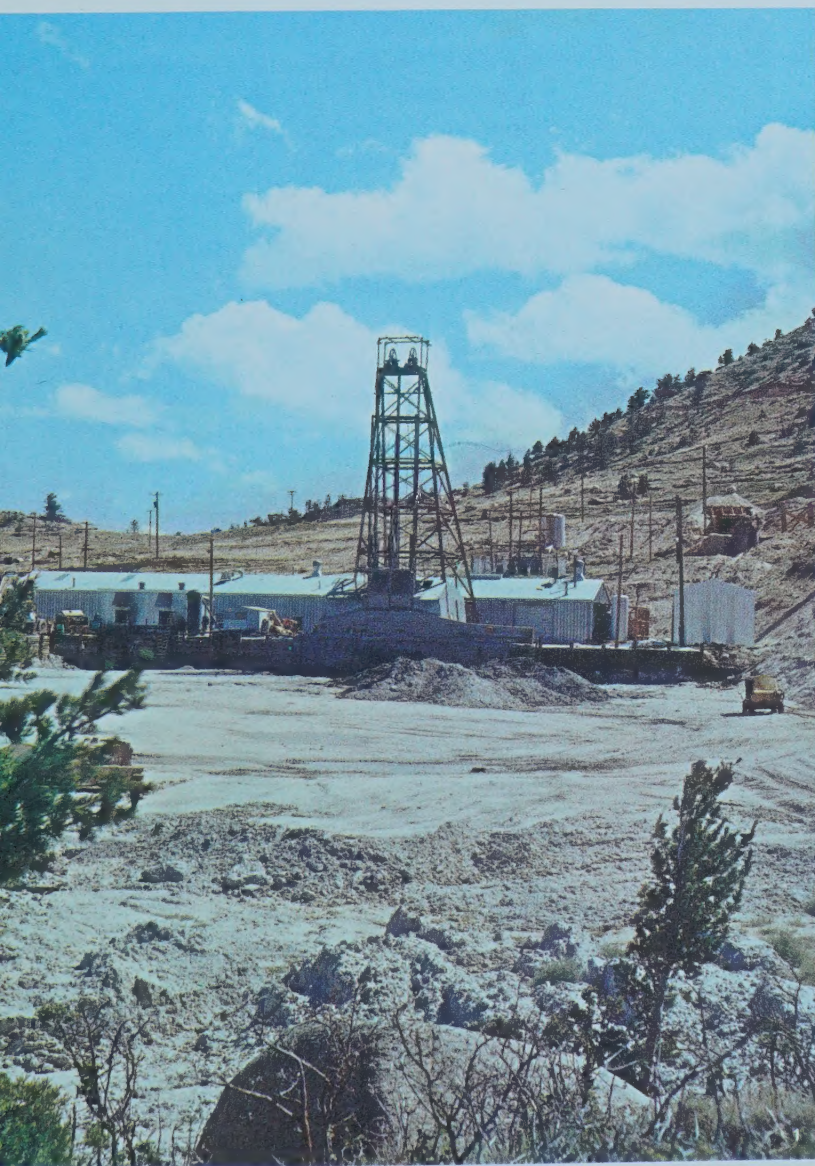
couraging immediate prospect for expanding the Company's domestic production lies in the development of the uranium ore body discovered by the Company in the summer of 1967 on the Spokane Indian Reservation, northwest of Spokane, Washington.

Based on drilling results, the deposit is estimated to contain 10 million pounds of uranium in relatively shallow low-grade ores. We have removed approximately 10,000 tons of the ore on which to conduct metallurgical studies at our Jeffrey City, Wyoming mill. Other information has been assembled and engineering studies are underway to determine the optimum methods for mining and processing the ore. If these studies confirm present projections, we hope to begin construction of a mill in 1969 with production scheduled for late 1970 or early 1971.

We are prospecting in other promising areas in eight Western States and exploring for additional reserves on our existing producing properties in Wyoming. Regional reconnaissance has been completed over large portions of the areas and specific targets have been developed for drilling programs on smaller but carefully selected sites.

The Golden Goose Mine produced nearly 800,000 pounds of the 1,200,000 pounds of uranium produced in fiscal 1968 on our properties near Jeffrey City, Wyoming. This production will be supplemented late in the 1969 fiscal year with ore from an open pit mine that is being stripped at this time. Our planning for the 1969 fiscal year calls for continued exploration in the Jeffrey City area with the goal of maintaining the current level of production.

Because the prolonged copper strike cut off the normal supplies of sulfuric acid from smelters our three sulfuric acid plants in Wyoming benefited through increased sales. Including the acid consumed in our own uranium processing, the three plants pro-



MINING OPERATIONS

1. Golden Goose Mine in Crooks Gap Area of Wyoming.

2. Stripping operations at the D-3 Mine in Gas Hills Area of Wyoming.

3. Stopping operations at the Golden Goose Mine.



MILLING AND PROCESSING FACILITIES

1. Base Metal Flotation Plant at Hanson Lake, Saskatchewan.

2. Townsite at Jeffrey City, Wyoming.

3. Uranium Processing Plant and Sulfuric Acid Plant at Jeffrey City, Wyoming.

duced approximately 100,000 tons of sulfuric acid while operating at full capacity throughout fiscal 1968.

A succession of problems in the past fiscal year prevented us from achieving our projected goals at our base metals mine and mill at Hanson Lake, Saskatchewan.

After a series of expensive startup problems, the mill was closed down from December, 1967 to June, 1968 because the extended strike in the domestic copper industry closed the smelter which contracted to purchase our concentrate. Mining continued however, and the mill is now back on stream processing ores at the rate of 300 tons daily.

We are currently re-evaluating the ore deposits in the Quandt property, seven air miles from the Hanson Lake mill to determine the most economical method of producing from this body of copper-zinc ores. Our present information indicates it may be prudent to reduce the proposed tonnage to be mined and choose a selective mining process that will produce higher grade ores. To compensate for the reduced tonnages it was also necessary to accelerate the amortization rate of the original capital expenditures.

The pre-operating problems at the Hanson Lake Mine, compounded by the strike-caused shutdown, and the higher amortization rate resulted in a pre-tax loss of \$1.1 million from Canadian operations which has been included in the statement of income.

During the fiscal year ended June 30, 1968 the Company reduced its long-term debt by 3.3 million. However, the Company has renegotiated its revolving credit with banks and we expect to incur substantial borrowings under this credit during the forthcoming year.

We are approaching a period in the Company's history when some important decisions will be made on financing for the

conduct of our expanding exploration and development programs and the construction of second generation mine and mill facilities.

Furthermore, if we obtain a concession in Somali and if there is a need for substantial investment in the Nigerian venture, some additional outside financing will be required. Your management is fully cognizant of these requirements and we are actively pursuing at this time various alternatives to finance these programs.

The progress achieved during fiscal 1968 was due largely to the dedicated efforts of our fine staff of loyal and experienced employees. They are the biggest asset we have in meeting the challenge and the opportunity offered to us through the growth of nuclear power. We have a record of achievement and each year we are gaining maturity and experience. We look to fiscal 1969 as a year in which we will make even greater progress.

For the Board of Directors



Robert W. Adams
President

September, 1968

CONSOLIDATED BALANCE SHEET

WESTERN NUCLEAR, INC. AND SUBSIDIARIES

June 30, 1968 and 1967



ASSETS

CURRENT ASSETS:

	1968	1967
Cash	\$ 911,539	\$ 497,778
Accounts receivable— (Note 5)		
Atomic Energy Commission	\$ 593,488	\$ 202,494
Other	494,623	510,716
	<u>\$ 1,088,111</u>	<u>\$ 713,210</u>
Inventories, at lower of first-in, first-out cost or market (Note 5)–		
Finished concentrates	\$ 366,458	\$ 562,356
Work in process	53,270	56,232
Ore in stockpile	673,191	619,004
Chemicals, supplies and other	306,189	358,246
Mine development costs (Note 3)	1,068,525	918,766
	<u>\$ 2,467,633</u>	<u>\$ 2,514,604</u>
Prepaid expenses	\$ 137,050	\$ 169,308
Total current assets	<u>\$ 4,604,333</u>	<u>\$ 3,894,900</u>

INVESTMENT in Data Products Corporation, at cost

(quoted market \$1,823,000 at June 30, 1968)	\$ 1,114,086	\$ 1,474,661
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OTHER ASSETS:

Noncurrent uranium inventories	\$ —	\$ 2,533,553
Receivable from Share Joint Venture	2,170,613	1,551,446
Noncurrent portion of mine development costs (Note 3)	1,521,461	1,520,850
Other	642,874	801,392
	<u>\$ 4,334,948</u>	<u>\$ 6,407,241</u>

PROPERTY, PLANT AND EQUIPMENT (Notes 4 and 5):

	Cost	Reserves		
Mining properties	\$12,749,112	\$ 3,913,809	\$ 8,835,303	\$ 6,594,250
Milling facilities	5,090,452	3,491,369	1,599,083	1,260,298
Acid plant facilities	1,607,935	692,397	915,538	1,138,861
Mining equipment	2,827,821	1,659,584	1,168,237	1,110,403
Other	2,003,888	1,253,913	749,975	819,513
Construction in progress	211,572	—	211,572	1,523,785
	<u>\$24,490,780</u>	<u>\$11,011,072</u>	<u>\$13,479,708</u>	<u>\$12,447,110</u>
			<u>\$23,533,075</u>	<u>\$24,223,912</u>

The accompanying notes to consolidated financial statements are an integral part of these statements.

LIABILITIES

CURRENT LIABILITIES:

Current portion of long-term debt	\$ 250,000	\$ 250,000
Accounts payable—		
Trade and other	1,183,377	743,483
Ore purchases	262,357	69,245
Accrued liabilities	304,146	222,177
Dividends payable	—	115,623
Total current liabilities	<u>\$ 1,999,880</u>	<u>\$ 1,400,528</u>

LONG-TERM DEBT, less current maturities

(Note 5):

Senior notes payable to banks	\$ 1,200,000	\$ 3,000,000
Subordinated notes payable	2,775,000	3,375,000
Payable on ore acquisitions	—	878,321
	<u>\$ 3,975,000</u>	<u>\$ 7,253,321</u>

DEFERRED FEDERAL INCOME TAXES (Note 6)	\$ 2,783,000	\$ 2,884,000
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STOCKHOLDERS' INVESTMENT:

Common stock, par value \$.05 per share—		
Authorized 4,000,000 shares		
Issued 2,389,984 shares in 1968 and		
2,360,625 in 1967 (Note 7)	\$ 119,500	118,031
Paid-in surplus (Note 7)	\$ 2,642,884	\$ 2,226,195
Retained earnings (Note 5)—		
Balance, beginning of year	\$10,498,357	\$ 9,813,091
Net income	1,670,974	1,148,532
Cash dividends	—	(463,266)
Balance, end of year	<u>\$12,169,331</u>	<u>\$10,498,357</u>
	\$14,931,715	\$12,842,583
Treasury stock, 48,160 shares, at cost	<u>(156,520)</u>	<u>(156,520)</u>
	<u>\$14,775,195</u>	<u>\$12,686,063</u>
	<u>\$23,533,075</u>	<u>\$24,223,912</u>

Statements are an integral part of this statement.

CONSOLIDATED STATEMENT OF INCOME

For years ended June 30, 1968 and 1967



	1968	1967
INCOME:		
Sales of uranium oxide (Note 2)	\$13,184,323	\$ 9,206,492
Sales of sulfuric acid	1,743,702	842,709
Sales of base metal concentrates	<u>328,966</u>	<u>—</u>
	<u>\$15,256,991</u>	<u>\$10,049,201</u>
EXPENSES (including depreciation, depletion and amortization of \$2,157,045 in 1968 and \$1,200,035 in 1967 — Note 4):		
Mining costs	\$ 7,466,406	\$ 5,477,180
Processing and acid plant costs	4,685,332	2,045,696
General and administrative expenses	1,212,850	907,724
Interest expense	435,639	251,081
Other (income) expense, net	<u>(113,210)</u>	<u>1,988</u>
	<u>\$13,687,017</u>	<u>\$ 8,683,669</u>
INCOME BEFORE PROVISION FOR INCOME TAXES	\$ 1,569,974	\$ 1,365,532
PROVISION FOR DEFERRED FEDERAL INCOME TAXES (Note 6)	<u>(101,000)</u>	<u>217,000</u>
NET INCOME	<u>\$ 1,670,974</u>	<u>\$ 1,148,532</u>
NET INCOME PER SHARE OF COMMON STOCK:		
Based on weighted average of shares outstanding during the year	<u>\$0.72</u>	<u>\$0.50</u>
Pro forma assuming exercise of warrants and stock options outstanding (Note 7)	<u>\$0.70</u>	

The accompanying notes to consolidated financial statements are an integral part of this statement.

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For years ended June 30, 1968 and 1967



	1968	1967
FUNDS WERE RECEIVED FROM THE FOLLOWING SOURCES:		
Net income for the year	\$1,670,974	\$ 1,148,532
Add charges to income not requiring funds—		
Depreciation, depletion and amortization (Note 4)	2,157,045	1,200,035
Provision for deferred Federal income taxes (Note 6)	(101,000)	217,000
Gain on sale of assets	(96,159)	(17,302)
Property abandonments	—	72,203
Funds provided by operations	\$3,630,860	\$ 2,620,468
Noncurrent inventory decrease	2,533,553	—
Proceeds from sale of assets	633,846	59,695
Proceeds from the exercise of stock options and warrants (Note 7)	418,158	131,641
Long-term debt increase, net	—	6,993,264
Increase in deferred Federal income taxes	—	493,000
Other	204,395	—
Total funds provided	<u>\$7,420,812</u>	<u>\$10,298,068</u>
FUNDS WERE USED FOR THE FOLLOWING:		
Long-term debt decrease, net	\$3,278,321	\$ —
Exploration and property development	2,155,367	1,851,049
Acquisition of mineral interests	687,237	709,331
Increase in receivable from Share Joint Venture	619,167	1,551,446
Plant and equipment additions	570,639	3,634,380
Noncurrent inventory increase	—	2,148,743
Dividends declared	—	463,266
Other	—	1,138,728
Total funds applied	<u>\$7,310,731</u>	<u>\$11,496,943</u>
RESULTING IN AN INCREASE (DECREASE) IN WORKING CAPITAL OF	<u>\$ 110,081</u>	<u>\$ (1,198,875)</u>

The accompanying notes to consolidated financial statements are an integral part of this statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 1968



1. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include Western Nuclear, Inc. and its wholly owned subsidiaries, Western Nuclear Mines, Ltd. (Canada) which includes the portion of the accounts and activity applicable to the Company's fifty percent interest in the Share Joint Venture, and Western Nuclear (Australia) Pty. Limited. All intercompany accounts and transactions have been eliminated in consolidation.

2. SALES OF URANIUM OXIDE

The Company's principal customer for uranium oxide is presently the Atomic Energy Commission. Under the terms of the existing AEC contract, approximately 2,687,000 pounds of uranium oxide may be sold during the period July 1, 1968, through December 31, 1970, at annual delivery rates of approximately 1,075,000 pounds.

During the year the Company sold 800,000 pounds of uranium oxide to a third party, who assumed the Company's contractual obligation to deliver such uranium oxide to commercial users in 1969. As of June 30, 1968, the Company had received contracts to deliver 5,000,000 pounds of uranium oxide to commercial customers through 1973 of which 500,000 pounds are scheduled for delivery during the fiscal year ending June 30, 1969.

3. MINE DEVELOPMENT COSTS

The portion of deferred underground mine development costs which will be charged to operations during the next fiscal year is included in current assets, inasmuch as these expenditures are in the nature of mining work-in-process inventories which will be recovered through operations within the next year; the non-current portion of such development costs is included in other assets. Drilling and other surface development costs on mining properties are included in property, plant and equipment.

4. PROPERTY, PLANT AND EQUIPMENT

The Company and its subsidiaries have followed the accounting policy of capitalizing all exploration and property development costs. Such costs also include nonproductive exploration, development and claim costs relating to the development of uranium

and base metal reserves. All capitalized costs are accumulated separately for uranium and base metal operations, with a further segregation between domestic and foreign, and are amortized on a unit-of-production method based on total estimated recoverable reserves for each cost pool accumulation.

The Company's uranium processing facilities, townsite, mining equipment and sulfuric acid plants are being depreciated on straight-line or unit-of-production methods through December 31, 1970. Most other property items are depreciated over lesser periods, depending upon their economic lives.

5. LONG-TERM DEBT

The Company had a revolving line of credit with banks for \$6,000,000 at June 30, 1968. Amounts borrowed under this arrangement, which totaled \$1,200,000 at June 30, 1968, become due as of September 15, 1969, bear interest at 6½%, and are secured by uranium inventories, receivables and future proceeds from the AEC and commercial customers. During August, 1968, the Company obtained a commitment for a new revolving line of credit, reducing it to \$5,000,000, at ½% above the New York prime rate, due December 31, 1970, and secured by certain proven and fully developed uranium reserves in addition to the above collateral. Under this line of credit, the Company is restricted from paying any dividends and will be required to maintain a specified net worth yet to be finalized.

Under the terms of the loan agreement covering \$2,650,000 of subordinated notes, the Company is required to maintain working capital of \$2 million or 130% of current liabilities, whichever is greater.

Included in subordinated notes payable is \$125,000 long-term portion of a subordinated mortgage payable secured by two of the Company's acid plants. The mortgage is due in quarterly installments of \$62,500 through 1969, together with interest based on the prevailing Chicago prime rate.

6. FEDERAL INCOME TAXES

The accounting for certain transactions for Federal income tax

purposes differs from that followed in the accounts, including exploration and development expenditures which are deducted currently for income tax purposes. Recognition of the related Federal income tax benefits has been deferred to future years.

In the current year, percentage depletion benefits exceeded reported income, and the related tax benefit of the excess has been recognized as a reduction in deferred Federal income taxes.

The Company's tax loss carry-forward at June 30, 1968, was \$780,000, of which \$360,000 is available to offset future taxable income through June 30, 1972, and \$420,000 through June 30, 1973.

During the year, the Company reached a settlement with the Department of Justice concerning a previously disallowed income tax deduction relating to discount applicable to subordinated debentures issued in 1957. The Company received substantially all of the deduction as originally claimed.

7. WARRANTS AND STOCK OPTIONS

A total of 143,243 shares of common stock are reserved for warrants issued in connection with the subordinated notes described in Note 5. The warrants provide for the purchase of no more than \$2,650,000 of Company stock at prices of \$18.50 per share until February 15, 1969, escalating \$1.50 annually to \$23 per share until February 15, 1972. In addition, 123,500 shares of common stock are reserved for stock options including 50,000 shares reserved in the current year. Options to acquire 86,600 shares have been granted to officers and key employees as of June 30, 1968, at various option prices from \$2.55 to \$33.50 per share (aggregating \$1,045,000). Options to acquire 63,250 shares are currently exercisable and the remaining options are exercisable at various dates through March 26, 1972.

During the year, warrants on 20,160 shares and options on 9,200 shares were exercised. The excess of the proceeds over par value of the stock issued, \$416,689, was credited to paid-in surplus.

AUDITORS' REPORT

ARTHUR ANDERSEN & CO.
DENVER, COLORADO

To the Stockholders and Board of Directors of
Western Nuclear, Inc.:

We have examined the consolidated balance sheet of WESTERN NUCLEAR, INC. (a Delaware corporation) and subsidiaries as of June 30, 1968, and the related consolidated statements of income and source and application of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have previously examined and reported on the financial statements for the preceding year.

In our opinion, the accompanying consolidated balance sheet and consolidated statements of income and source and application of funds present fairly the financial position of Western Nuclear, Inc. and subsidiaries as of June 30, 1968, and the results of their operations and the source and application of funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Denver, Colorado,
August 16, 1968.



FINANCIAL SUMMARY



Fiscal Year Ended June 30

ANNUAL

	1968	1967
Total Sales	\$15,256,991	\$10,049,201
Net Income Before Income Taxes	1,569,974	1,365,532
Provision for Income Taxes	(101,000)	217,000
Net Income	1,670,974	1,148,532
Net Income Per Share72	.50
Cash Flow From Operations	\$ 3,630,860	\$ 2,620,468
Cash Flow Per Share	1.56	1.14
Dividends	\$ —	\$ 463,266
Dividends Per Share	—	.20

YEAR END

Current Assets	\$ 4,604,333	\$ 3,894,900
Current Liabilities	1,999,880	1,400,528
Working Capital	\$ 2,604,453	\$ 2,494,372
Net Property, Plant and Equipment	\$13,479,708	\$12,447,110
Long-Term Debt	3,975,000	7,253,321
Stockholders' Investment	\$14,775,195	\$12,686,063
Stockholders' Investment Per Share	6.35	5.51
Average Number of Shares Outstanding	2,325,034	2,304,434

OPERATING SUMMARY

Fiscal Year Ended June 30

METALLURGICAL AND CHEMICAL DEPARTMENT

	1968	1967
Pounds of Uranium Oxide Produced	1,753,252	1,017,638
Tons of Sulfuric Acid Produced	97,527	58,135
Tons of Base Metal Concentrate Produced	8,642	—
Tons of Uranium Ore Processed	399,304	239,206
Company Tons Processed	399,304	119,253
Custom Tons Processed	—	119,953
Tons of Base Metal Ore Processed	38,054	—

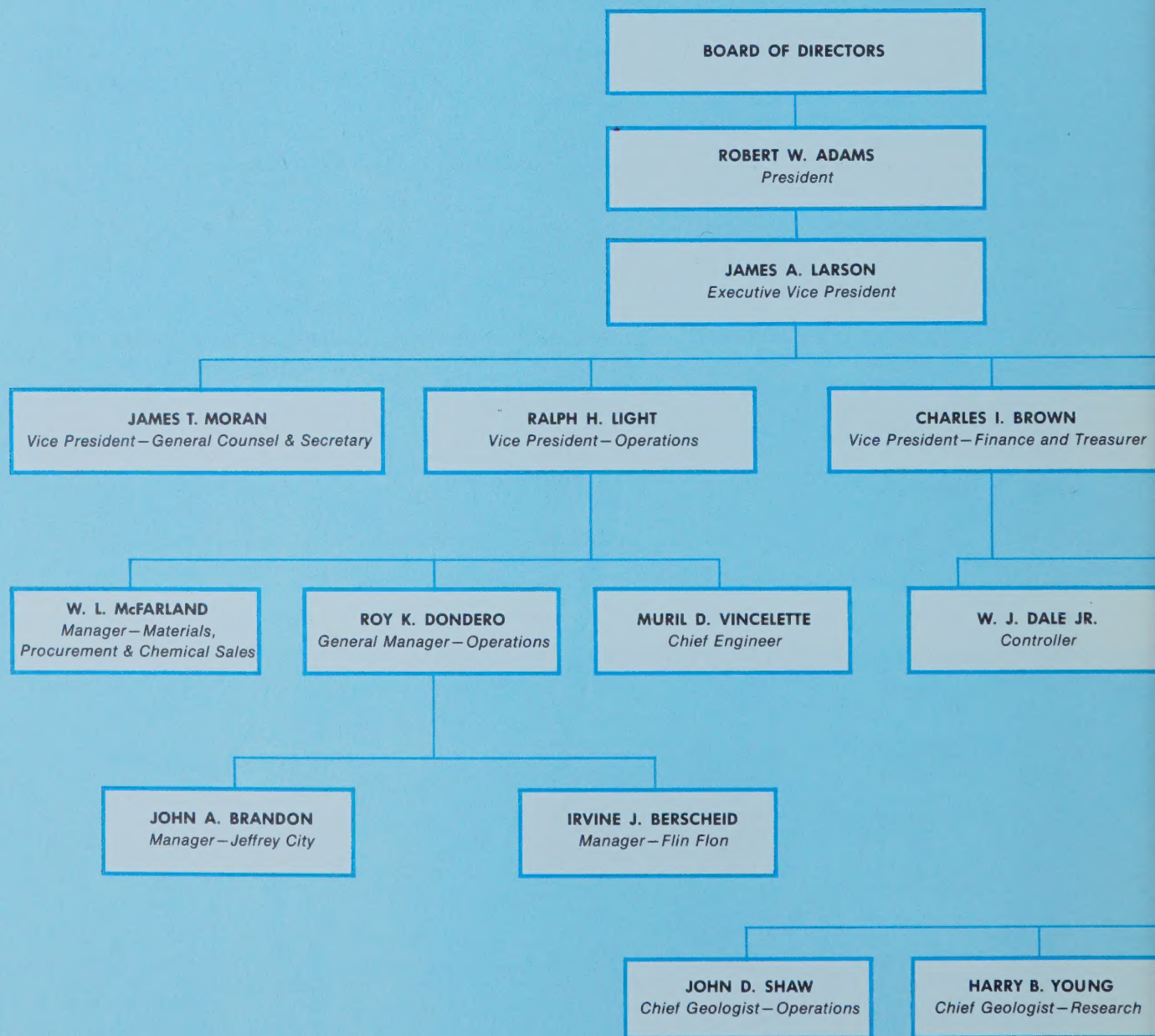
MINING AND ENGINEERING DEPARTMENT

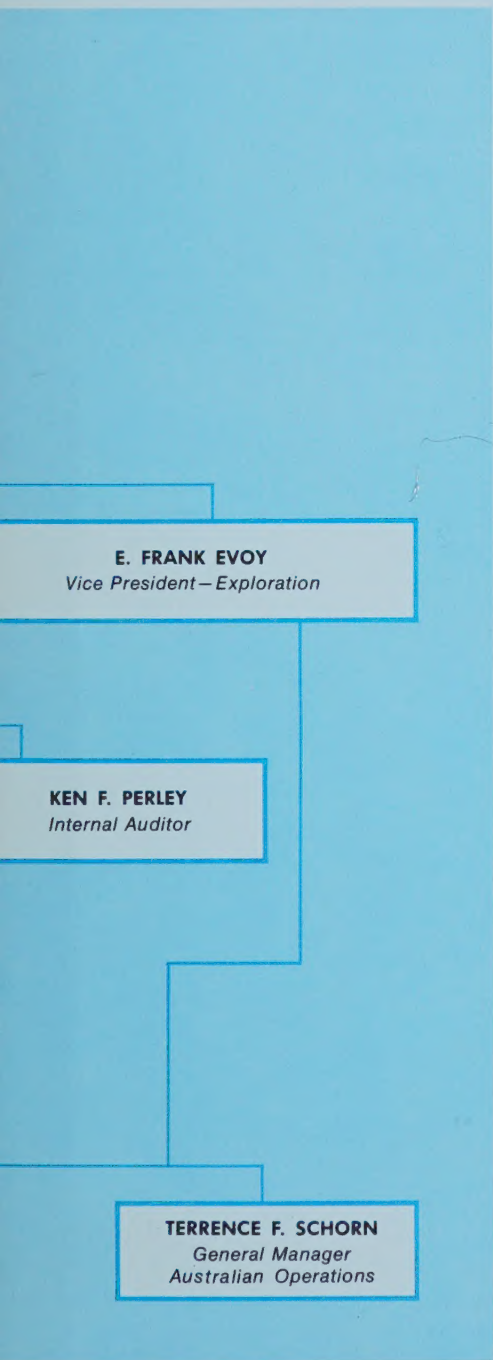
Tons of Uranium Ore Mined	269,522	233,116
Pounds of Uranium Oxide in Ore Mined	1,105,576	1,010,518
Average Grade Mined (% U ₃ O ₈)205%	.217%
Tons of Base Metal Ore Broken	63,500	—

1966	1965	1964	1963	1962	1961	1960
\$10,184,736	\$10,169,678	\$10,221,794	\$12,471,630	\$13,022,676	\$12,935,747	\$11,692,012
1,973,780	1,251,550	2,156,134	2,623,518	969,955	1,726,207	1,886,716
250,398	—	345,049	656,000	240,000	430,000	660,000
1,723,382	1,251,550	1,811,085	1,967,518	729,955	1,296,207	1,226,716
.76	.56	.81	.88	.32	.57	.53
\$ 3,226,104	\$ 3,190,058	\$ 3,434,741	\$ 4,175,042	\$ 2,354,816	\$ 3,470,206	\$ 3,512,097
1.42	1.42	1.53	1.86	1.03	1.51	1.53
\$ 451,608	\$ 449,033	\$ 449,033	\$ 229,333	\$ —	\$ —	\$ —
.20	.20	.20	.10	—	—	—
\$ 6,339,423	\$ 5,539,015	\$ 6,470,658	\$ 4,034,888	\$ 3,399,695	\$ 4,407,492	\$ 4,541,076
2,646,176	1,365,530	2,487,869	3,716,253	2,228,806	3,529,139	3,037,898
\$ 3,693,247	\$ 4,173,485	\$ 3,982,789	\$ 318,635	\$ 1,170,889	\$ 878,353	\$ 1,503,178
\$ 7,480,798	\$ 6,164,875	\$ 7,471,232	\$ 7,458,920	\$ 7,314,419	\$ 7,841,769	\$ 6,939,082
260,000	—	1,986,709	26,207	184,737	1,364,344	2,800,000
\$11,778,556	\$10,402,280	\$ 9,599,763	\$ 8,237,780	\$ 6,656,059	\$ 5,926,116	\$ 4,629,927
5.18	4.63	4.28	3.67	2.90	2.58	2.02
2,273,165	2,245,167	2,245,167	2,245,169	2,293,330	2,293,334	2,293,337

1966	1965	1964	1963	1962	1961	1960
1,414,548	1,098,712	1,233,040	1,738,474	1,598,503	1,752,005	1,495,864
38,898	39,310	35,734	19,107	—	—	—
—	—	—	—	—	—	—
261,759	260,463	206,036	322,709	365,182	403,503	342,665
195,239	189,760	104,486	187,185	208,713	268,442	272,060
66,520	70,703	101,550	135,524	156,469	135,061	70,605
—	—	—	—	—	—	—
161,001	129,995	166,169	302,780	242,301	243,616	258,343
921,686	449,237	826,484	1,310,706	926,941	1,300,914	1,207,645
.286%	.173%	.249%	.216%	.191%	.267%	.234%
—	—	—	—	—	—	—

ORGANIZATION STRUCTURE





**BOARD OF
DIRECTORS**

ROBERT W. ADAMS
WILLIAM T. ADAMS
INER E. ANDERSON
JOHN B. BUNKER
DONALD C. CAMPBELL
JAMES A. CHAPMAN
JOHN W. FRANCE
DR. C. W. JEFFREY
JAMES A. LARSON
MARVIN F. OWENS

**OFFICERS
AND
MANAGERS**

ROBERT W. ADAMS, *President*
JAMES A. LARSON, *Executive Vice President*
WILLIAM T. ADAMS, *Vice President*
CHARLES I. BROWN, *Vice President—
Finance and Treasurer*
E. FRANK EVOY, *Vice President—Exploration*
RALPH H. LIGHT, *Vice President—Operations*
JAMES T. MORAN, *Vice President—
General Counsel and Secretary*
W. J. DALE, *Controller*
ROY K. DONDERO, *General Manager—Operations*
JOHN A. BRANDON, *Manager, Jeffrey City, Wyoming*
IRVINE J. BERSCHIED, *Manager, Flin Flon, Canada*
TERRENCE F. SCHORN, *Manager, Darwin, Australia*
MURIL D. VINCELETTE, *Chief Engineer*
W. L. McFARLAND, *Manager,
Material Procurement and Chemical Sales*

**TRANSFER
AGENTS**

Denver United States National Bank, Denver, Colorado
The Bank of New York, New York City

REGISTRARS

Denver United States National Bank, Denver, Colorado
The Bank of New York, New York City

AUDITORS

Arthur Andersen & Co., Denver, Colorado

**EXECUTIVE
OFFICES**

Suite 1900, 1700 Broadway, Denver, Colorado

**PLANT AND
FIELD OFFICES**

Albuquerque, New Mexico
Jeffrey City, Wyoming
Casper, Wyoming
Salt Lake City, Utah
Spokane, Washington
Flin Flon, Manitoba, Canada
Darwin, Northern Territory, Australia

This report is not a prospectus. There is no intent to influence the purchase or sale of any security nor should anything herein be construed as an offer to sell securities.

WESTERN NUCLEAR, INC.



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